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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% *Date of Decision : 19.02.2026*

+ FAO(OS) (COMM) 30/2026, CM APPL. 11012/2026, CM APPL. 11013/2026, CM APPL. 11014/2026, CM APPL. 11015/2026

**M/S SAFETY CONTROLS AND DEVICES LTD**

.....Appellant

Through: Mr. Gautam Narayan, Sr. Advs. with Mr. Talha A. Rahman, Mr. Utsav Misra, Ms. Asmita Singh and Mr. Sudhanshu Tewari, Advs.

versus

**NTPC RENEWABLE ENERGY LIMITED & ORS.**

.....Respondents

Through: Mr. Gopal Jain, Sr. Adv with Mr. Anish Gupta, Mr. Kapil Paliwal & Mr. Abhishek Singh, Advs.  
Mr. B.K. Singh, Adv. for R2.

**CORAM:**

**HON'BLE MR. JUSTICE DINESH MEHTA**

**HON'BLE MR. JUSTICE VINOD KUMAR**

**JUDGMENT**

**DINESH MEHTA, J. (ORAL)**

1. The present appeal preferred under Section 37 of the Arbitration and Conciliation Act, 1996 (*hereinafter referred to as 'the Act of 1996'*) read with Section 13 of the Commercial Courts Act, 2015, is directed against the order dated 12.02.2026 passed by the learned Single Judge of this Court, whereby learned Single Judge has rejected the appellant's application for injunction that was filed under Section 9 of the Act of 1996.

2. Upon perusal of the record and the impugned order dated 12.02.2026, we find that though in the application under Section 9 of the Act of 1996,



the appellant had prayed for injunction not only against the Advance Bank Guarantee dated 10.09.2025 but also against the Insurance Surety Bonds dated 25.07.2025, however, the impugned order records that the appellant had confined its prayer to the invocation of the Advance Bank Guarantee, which ground has been turned down by the learned Single Judge.

3. The facts as transpired, are that the Advance Bank Guarantee of Rs.8.71 Crores has been encashed by the respondent and in view of such fact, Mr. Gopal Jain, learned Senior Counsel for the respondents submitted that the appeal has been rendered infructuous.

4. Mr. Gautam Narayan, learned Senior Counsel for the appellant submitted that the appellant's application under Section 9 of the Act of 1996 was confined not only to the extent of Advance Bank Guarantee. However, due to the pressing emergency of obtaining an injunction order *qua* the Advance Bank Guarantee and maybe because of some misconception or communication gap, in paragraph 6 of the impugned order, the learned Single Judge has recorded that the application under Section 9 of the Act 1996 was confined only to the Advance Bank Guarantee.

5. Having heard learned counsel for the parties and considering that no adjudication *qua* the appellant's prayer for injunction in relation to invocation of the Insurance Surety Bonds has been made, we are of the view that it will not be appropriate to decide the issue of injunction *qua* Insurance Surety Bonds, as the learned Single Judge has not considered and decided such issue, for whatever reason(s).

6. Such being the position, the appellant can have three recourse available to it.

i. Either to move a fresh application under Section 9 of the Act of



1996, before the learned Single Judge.

- ii. Move an application under Section 17 of the Act of 1996 before the arbitrator or.
- iii. Take recourse to Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006 (*hereinafter referred to as 'the Act of 2006'*) so that the remedy by way of arbitration can be taken.

7. Mr. Gautam, learned Senior counsel on instructions submitted that his client would like to take recourse to Section 18 of the Act of 2006 and therefore, until his application under Section 17 of the Act of 1996 is decided, the respondents be restrained from invoking the Insurance Surety Bonds.

8. He further submitted that since the respondents have not invoked the Insurance Surety Bonds as of today, no prejudice would be caused, if they are restrained from doing the same until the application under Section 17 of the Act of 1996 is decided or at least taken up for consideration by the arbitrator.

9. Mr. Gopal Jain, learned Senior Counsel opposed such prayer by contending that such a relief may not be granted because, the same would influence the mind and take away the discretion of the arbitrator as and when he decides the application under Section 17 of the Act of 1996.

10. Having heard learned counsel for the parties and considering that the petitioner's prayer so far as the Insurance Surety Bonds has not been considered by the learned Single Judge while deciding the application under Section 9 of the Act of 1996, we leave it open for the appellant to take recourse to Section 18 of the Act of 2006 or Section 17 of the Act of 1996



before the arbitrator, in accordance with law.

11. The petition stands dismissed and pending applications are also disposed of accordingly.

12. It is relevant to consider the mandate of Section 18 of the Act of 2006 and the entire scheme of the Act, the Facilitation Council shall expedite the mediation process and other proceedings as envisaged under the Act of 2006.

13. Needless to observe that the facilitation counsel and the arbitrator shall independently decide the application, without being influenced by the impugned order dated 12.02.2026 passed by the learned Single Judge of this Court so also the instant order, whereby we have refused to consider petitioner's request for injuncting the respondents from invoking the Insurance Surety Bonds.

**DINESH MEHTA, J**

**VINOD KUMAR, J**

**FEBRUARY 19, 2026/ss**